

# Vinh Hoan Corporation's August IR news

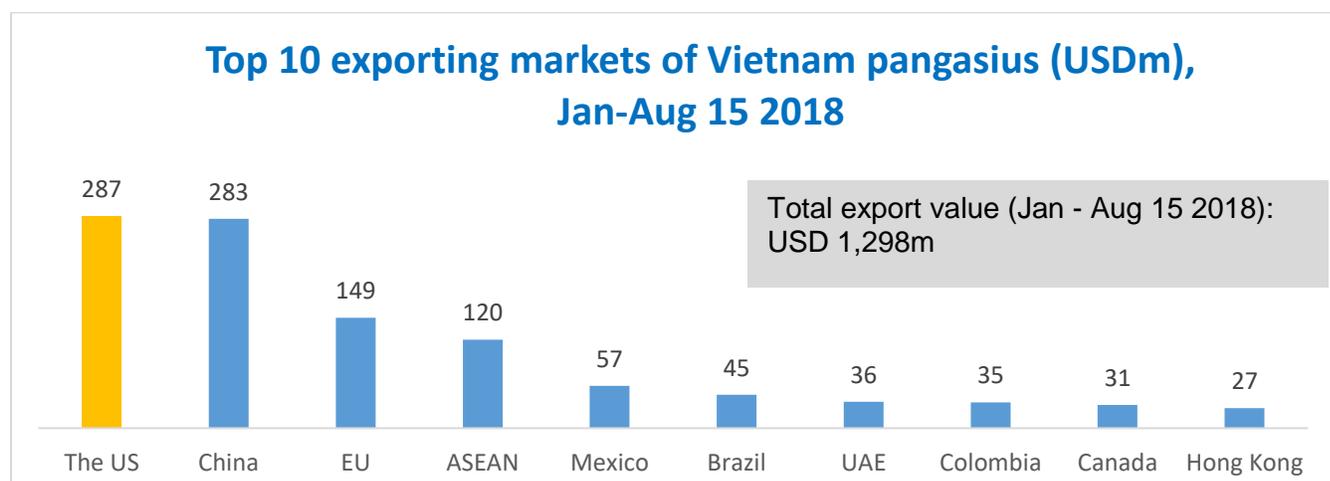
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## Market summary

Until mid-August, Vietnam exported nearly USD 1.3 billion worth of pangasius, a strong growth of 37% yoy, accounted for 26% of total seafood exports.

"The pangasius industry may reach a breakthrough in 2018, with export value exceeding USD 2 billion", Mr. Nguyen Xuan Cuong - Minister of Vietnam Agriculture and Rural Development – said at an industry conference held in August. Previously, the export peaked in 2011, at USD 1.81 billion.



Source: VASEP

China, the US, EU and ASEAN keeps popping up as top exporting markets. However, the US has overtaken China as the largest exporting market from July.

**The US:** From Jan – Aug 15, total export to this market recorded at USD 287m, up 24% yoy.

**China:** China imported USD 283m worth of pangasius products from Vietnam, up by 38% yoy.

The US and China each shared 22% of total export value.

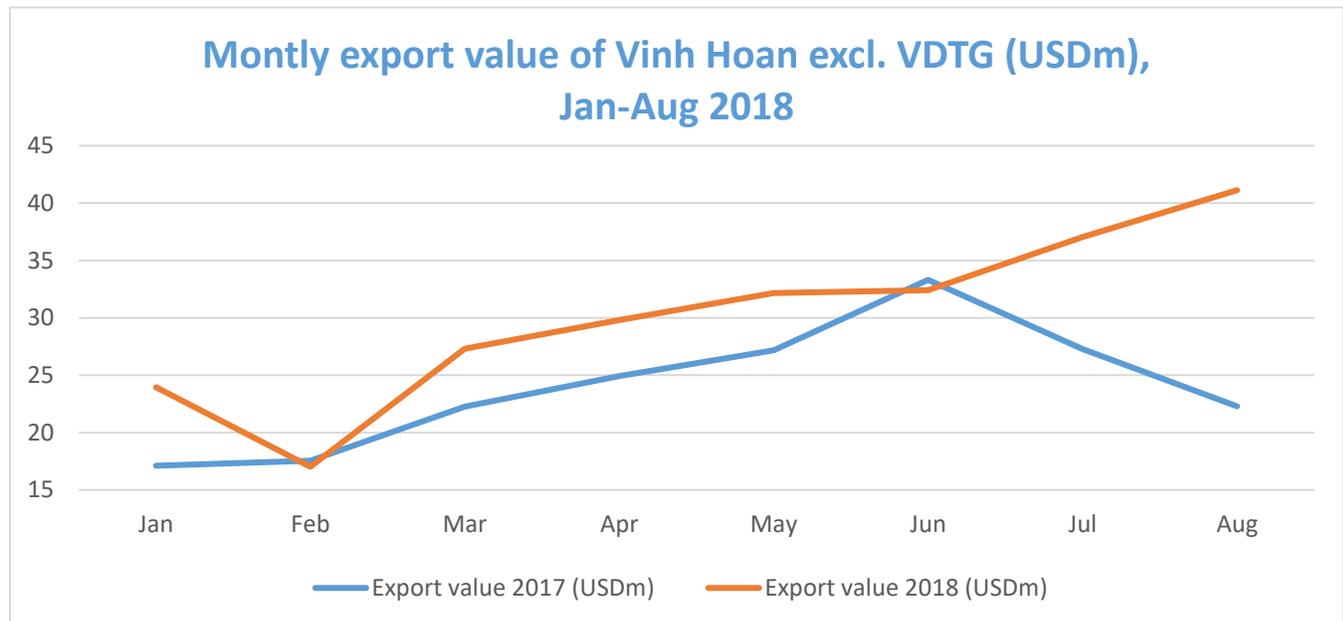
**EU:** Export to the bloc showed sign of recovery since July, with growth of 16% until mid-August, accounting for 11% total export value.

On the contrary, export to Latin America markets dropped in the period, of 4% in Mexico, 32% in Brazil, and 2% in Colombia.

## Vinh Hoan's export results in August

Export value (excl. VDTG) broke its own record in July, reaching USD 41m in August, an 85% yoy surge. Volume picked up by 27% thanks to the abundant supply during harvesting season, and average selling price remained at high level.

Of all products, pangasius fillet nearly doubled in export value. Other products also saw strong growth, such as fish meal and fish oil (73%), collagen and gelatin (174%).



Source: Vinh Hoan

### Vinh Hoan signed long-term agreement with PHARMAQ for large-scale pangasius vaccination

On August 22, Vinh Hoan and PHARMAQ, a business of the leading global animal health company Zoetis, announced a long-term strategic partnership agreement. The agreement was signed during the VIETFISH Exhibition in Ho Chi Minh City by Mrs. Truong Thi Le Khanh, Chairwoman of Vinh Hoan, and Mr. Morten Nordstad, President of PHARMAQ. The ceremony was attended by Mr. Vu Van Tam, Deputy Minister of Vietnam Ministry of Agriculture and Rural Development.

The collaboration involves large scale vaccination of pangasius with ALPHA JECT Panga 2, a PHARMAQ vaccine which protects against disease caused by the bacteria *Edwardsiella ictaluri* and *Aeromonas Hydrophila*. PHARMAQ will also provide Vinh Hoan with fish health services, diagnostic testing, and the introduction of new technologies and R&D activities.

“PHARMAQ has been present in Vietnam for more than ten years, and we see this agreement as an important milestone for the introduction of fish vaccines in Asian aquaculture,” said Morten. “Vaccines are important tools for prevention of fish disease, and they help increase the sustainability of fish farming. In order to develop good fish health solutions, we work closely with visionary and professional farming companies like Vinh Hoan.”

The large-scale adoption of vaccines is a major milestone for the Vietnamese pangasius industry. As already proven in salmonid farming, use of efficacious vaccines can reduce or replace the use of antibiotics in treatment of disease, ensure food safety, and improve sustainability and profitability for fish farmers. Treating the fish prophylactically to prevent disease is also advantageous from an animal welfare perspective. “Our goal is to offer healthy and safe food without environmental and economic trade-offs, and the use of vaccines is essential to reach this objective,” said Ms. Nguyen Ngo Vi Tam, CEO of Vinh Hoan.



Photo by Vinh Hoan